Important Information About Your Rates NOTICE OF PUBLIC HEARINGS

When:
Where: Maine Public Utilities Commission
Hearing Room (1st Floor)
242 State Street
Augusta, Maine

Directions to

This is a notice that explains a proposal now pending before the Maine Public Utilities Commission, under which the amount that residential customers pay monthly for basic local telephone service would increase between \$1.20 and \$2.30.

If you are concerned about this proposal and want to tell the Public Utilities Commission, this notice informs you of the time and date of the hearing.

The hearings will be held by the Maine Public Utilities Commission (the "Commission") to consider proposed changes in your local rates. If approved, the new rates will probably be effective in June, 2001. You are invited to attend and provide written or oral comments on these proposed changes. You can also file written comments directly with the Commission either before or after this hearing. The deadline for receipt of such written comments is 2001.

Several years ago, the Maine legislature passed a law [35-A Maine Revised Statutes Annotated (M.R.S.A.) Sec. 7101-B] mandating a reduction in the intrastate access rates charged by all local exchange telephone companies, including MID-MAINE COMMUNICATIONS ("MID-MAINE"). Intrastate access rates are charged to long distance providers, such as Verizon (formerly Bell Atlantic) and AT&T. These access charges are for the necessary connection to MID-MAINE's network and to your phone line so that long distance telephone service can be provided within the State of Maine. For MID-MAINE, in order for access rates to go down as mandated by the Legislature, local rates will have to be adjusted. MID-MAINE has been working with the Commission and the Office of the Public Advocate to implement this law for several years. As a part of that process, last year MID-MAINE filed a general rate case with the Commission. With your October, 2000, telephone bill, you received notice of that filing and were offered an opportunity to participate in the first phase of that review, which was an examination of MID-MAINE's costs to ensure that all costs were reasonable and appropriate. That first phase recently resulted in an agreement between MID-MAINE and the Public Advocate on those costs.

The agreement recommends changes to local and access rates to achieve the Legislature's goal of lowering intrastate access rates wherever possible, while retaining reasonable local rates that are comparable to those charged in similarly sized exchanges. This agreement is in the form of a written Stipulation that was filed with the Commission on (April . 2001) The more significant of the proposed local residence and business rate changes are listed below. All of the rate changes are the subject of this public hearing.

A key consideration that was used to determine new local rates was:

The monthly rate for basic residential service (the R-1 rate) and business service (the B-1 rate) will increase by an amount equal to 50% of the difference between your current monthly rate and the current rate charged by Verizon for a similarly sized call area.

After this increase, your local rates will still be less than (or not greater than) the local rates charged by Verizon for a similarly sized calling area.

Local Exchange Service - LEVANT

Description	Current Rate	New Rate	\$ Change
PREMIUM SERVICE			
Residence one-party	13.25	14.66	1.41
Residence one-party vacation rates 50%	6.63	7.33	0.70
Business one-party	24.27	29.87	5.60
Business one-party vacation rates 50%	12.14	14.94	2.80
PBX Trunk	51.05	57.00	5.95
Public/Semipublic paystation line	44.32	49.50	5.18
Centrex line	24.27	29.87	5.60
Business key system line	36.99	37.34	0.35

Local Exchange Service - OLD TOWN RURAL

Description	Current Rate	New Rate	\$ Change
PREMIUM SERVICE			
Residence one-party	13.68	14.87	1.19
Residence one-party vacation rates 50%	6.84	7.44	0.60
Business one-party	34.96	35.22	0.26
Business one-party vacation rates 50%	17.48	17.61	0.13
PBX Trunk	56.54	57.00	0.46
Public/Semipublic paystation line	48.99	49.50	0.51
Centrex line	34.96	35.22	0.26
Business key system line	45.14	44.03	-1.11

Local Exchange Service - ALTON

<u>Description</u>	Current Rate	New Rate	\$ Change
PREMIUM SERVICE			
Residence one-party	13.68	14.87	1.19
Residence one-party vacation rates 50%	6.84	7.44	0.60
Business one-party	34.96	35.22	0.26
Business one-party vacation rates 50%	17.48	17.61	0.13
PBX Trunk	56.54	57.00	0.46
Public/Semipublic paystation line	48.99	49.50	0.51
Centrex line	34.96	35.22	0.26
Business key system line	45.14	44.03	-1.11
ECONOMY SERVICE			
Residence one-party	10.19	11.96	1.77
Residence one-party vacation rates 50%	5.10	5.98	0.88
Business one-party	18.89	25.30	6.41
Business one-party vacation rates 50%	9.45	12.65	3.20
PBX Trunk	40.47	40.93	0.46
Centrex line	18.89	25.30	6.41
Business key system line	29.07	31.63	2.56
Per call usage to Premium Exchanges	0.25	0.25	0.00

Local Exchange Service - PLYMOUTH

Description	Current Rate	New Rate	\$ Change
PREMIUM SERVICE			
Residence one-party	11.69	13.27	1.58
Residence one-party vacation rates 50%	5.85	6.64	0.79
Business one-party	32.54	33.51	0.97
Business one-party vacation rates 50%	16.27	16.76	0.49
PBX Trunk	50.21	51.00	0.79
Public/Semipublic paystation line	41.93	42.50	0.57
Centrex line	32.54	33.04	0.50
Business key system line	40.72	41.30	0.58
EGONON BY GERN HOE			
ECONOMY SERVICE		10.00	2.20
Residence one-party	7.92	10.22	2.30
Residence one-party vacation rates 50%	3.96	5.11	1.15
Business one-party	14.93	22.81	7.88
Business one-party vacation rates 50%	7.47	11.41	3.94
PBX Trunk	32.60	33.00	0.40
Centrex line	14.93	22.81	7.88
Business key system line	23.11	28.51	5.40
Per call usage to Premium Exchanges	0.25	0.25	0.00

Local Exchange Service - WEST ENFIELD

<u>Description</u>	Current Rate	New Rate	\$ Change
PREMIUM SERVICE			
Residence one-party	15.22	15.22	0.00
Residence one-party vacation rates 50%	7.61	7.61	0.00
Business one-party	34.79	34.79	0.00
Business one-party vacation rates 50%	17.40	17.40	0.00
PBX Trunk	56.27	57.00	0.73
Public/Semipublic paystation line	48.75	49.50	0.75
Centrex line	34.79	34.79	0.00
Business key system line	43.49	43.49	0.00
ECONOMY SERVICE			
Residence one-party	13.72	13.72	0.00
Residence one-party vacation rates 50%	6.86	6.86	0.00
Business one-party	31.71	31.71	0.00
Business one-party vacation rates 50%	15.86	15.86	0.00
PBX Trunk	40.28	40.93	0.65
Centrex line	31.71	31.71	0.00
Business key system line	28.00	39.64	11.64
Per call usage to Premium Exchanges	0.25	0.25	0.00

ATTACHMENT 3

To present your views on these proposed rate changes, you should either (a) appear at the public hearing and offer oral or written comments, or (b) without attending the hearing, file written comments directly with the Administrative Director, Public Utilities Commission (address provided below), so such comments are received by addition, you can request to be placed on the service list as an interested party to receive copies of any future notices and orders in this proceeding. If you need information about which method of participation you should choose, or assistance in participating in the Commission's review of the proposed rate changes, contact the Commission or Public Advocate. You may receive a copy of the recent Stipulation from either of those or from MID-MAINE Communications. Useful contacts and addresses are:

Administrative Director Maine Public Utilities Commission 242 State Street

Augusta, ME 04333-0018 Tel: (207) 287-3831

Public Advocate State House Station 112 Hallowell, ME 04333-0012 Attn: William Black

Tel: (207) 287-2445

MID-MAINE COMMUNICATIONS

900-D Hammond Street Bangor, ME 04401 Tel: (207) 922-9911 or Toll free: 1-877-643-6246

This notice has been issued pursuant to Chapter 110 of the Rules of Practice and Procedures of the Maine Public Utilities Commission, which has responsibility under Maine Law for regulating the rates and practices of Maine public utilities. The examination will be conducted under the legal authority and jurisdiction of the Maine Public Utilities Commission as set forth in Title 35-A M.R.S.A. and pursuant to the Commission's Rules of Practice and Procedure.

If you have any questions on the above rate changes, please call your local business office at (207) 992-9911 or toll free at 1-877-643-6246. You can also contact the Office of the Public Advocate at: State House Station 112, Augusta, Maine 04333-0112; Telephone (207) 287-2445.

